

## **FISCAL NOTE**

### **SB 2840 - HB 2551**

January 31, 2000

**SUMMARY OF BILL:** Creates the *Biobased Products: Feasibility of Attracting New Businesses to Rural Tennessee Act of 2000*. Creates a competitive grants program to be administered by the Department of Economic and Community Development to solicit projects that examine the current and future feasibility and economic impact of biobased products and biobased industry in Tennessee. Grant eligibility includes, but is not limited to, the examination of unique characteristics of Tennessee's location, transportation network and pro-business environment and their effect on the attraction of biobased industries to Tennessee; the examination of rural industries that could manufacture biobased products; and information dissemination projects that highlight these research areas. Directs the Department of Economic and Community Development to develop application procedures and offer competitive grants at their discretion and under the supervision of the commissioner. Funds appropriated for the program shall be utilized for projects to include, but not be limited to, the development of dissemination tools such as websites, CD-ROMS, conferences or other information resources; the collection and publication of data; marketing programs that highlight Tennessee's biobased product potential; and other similar projects. Eligible participants include private businesses; research institutions; universities and non-profit organizations operating with their base of operations in Tennessee. Requires the Department of Economic and Community Development to promulgate rules and regulations and report the progress of the grant program to the General Assembly no later than July 1, 2001 and in two-year intervals thereafter. Provides that program expenditures are not to exceed \$100,000 in any fiscal year. Establishes July 1, 2005 as the expiration date of the program.

### **ESTIMATED FISCAL IMPACT:**

#### **Increase State Expenditures - \$100,000**

Bill restricts expenditures for the program to \$100,000 annually. Estimate assumes \$100,000 restriction applies to total administrative expenses and grant funds.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

**SB 2840 - HB 2551**